



DISASTER NEWS

Economic Injury Loans for Small Businesses

Release Date: August 4, 2006
Release Number: CO 10559-01

Contact: Rick Jenkins
Phone: (916) 735-1500

Disaster Assistance Available for Small Businesses

Sacramento, CA – Small, non-farm businesses in 54 Colorado counties (plus neighboring counties in Kansas, Nebraska, New Mexico and Utah) may now apply for low-interest disaster loans from the U. S. Small Business Administration (SBA). These disaster loans offset economic losses because of reduced revenues to farmers and ranchers caused by heat, high winds, insect pests, a late freeze and ongoing drought conditions that occurred in the following 17 primary Colorado counties beginning January 1, announced Alfred E. Judd, Director of SBA's Disaster Field Operations Center - West.

Primary Colorado counties:

Arapahoe	Archuleta	Bent	Boulder	Crowley
Delta	El Paso	Gunnison	Jefferson	Kiowa
La Plata	Montrose	Ouray	Park	Phillips
Teller	Washington			

Neighboring Colorado counties:

Adams	Baca	Broomfield	Chaffee	Cheyenne
Clear Creek	Conejos	Denver	Dolores	Douglas
Elbert	Fremont	Gilpin	Grand	Hinsdale
Kit Carson	Lake	Larimer	Las Animas	Lincoln
Logan	Mesa	Mineral	Montezuma	Morgan
Otero	Pitkin	Prowers	Pueblo	Rio Grande
Saguache	San Juan	San Miguel	Sedgwick	Summit
Weld	Yuma			

Neighboring Kansas county:

Greeley

Neighboring Nebraska counties:

Chase
Perkins

Neighboring New Mexico counties:

Rio Arriba
San Juan

Neighboring Utah counties:

Grand
San Juan

Small businesses may qualify for Economic Injury Disaster Loans (EIDLs) of up to \$1.5 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred. “Eligibility for these working capital loans is based on the financial impact of the disaster only and not on any actual property damage. These loans have an interest rate of 4%, a maximum term of 30 years, and are restricted to small businesses without the financial ability to offset the adverse impact without hardship,” Judd said.

By law, SBA makes EIDLs available when the U. S. Secretary of Agriculture designates an agricultural disaster. Secretary Mike Johanns declared this disaster at the request of Governor Bill Owens.

Businesses primarily engaged in farming or ranching are not eligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency (FSA) about the U. S. Department of Agriculture (USDA) assistance made available by the Secretary’s declaration. However, in drought disasters nurseries are eligible for SBA disaster assistance.

For information and application forms, call toll-free (800) 659-2955, or visit SBA’s website at www.sba.gov/disaster. Hearing impaired individuals may call (800) 877-8339.

The deadline to apply for these loans is **March 12, 2007**.

###